

4-percent bond due in 20 years results in a decline in dollar value from 113.34 to 101.80, or 11.54 points (equal to \$115.40 per \$1,000 of par value). Although market fluctuations of municipal bonds usually are relatively narrow as compared with those of the recent past, it is obvious that market risk is a real risk which must be accepted by any who would aspire to the sponsorship of a municipal investment fund.

It is probable, therefore, that other large investment banking organizations, after analyzing the profit potential of sponsoring and underwriting municipal investment funds, will enter the field in due course. It is almost certain that those investment banking organizations already in the field will vastly expand their fund operations as the market potential is gradually developed. A parallel trend will be the development by municipal investment funds of an equally vast capacity to absorb "new money" issues of municipal (public) bonds.